

Ontario Disability Support Program – Income Support Directives

11.1 Recovery of Overpayments

Summary of Policy

- A social assistance payment (ODSP or Ontario Works) provided to an ODSP recipient or dependent spouse that he/she is not eligible for is an overpayment and may be recovered by deductions to ODSP income support.
- The Director must give notice in writing of a decision to determine an overpayment, the amount of the overpayment, and the reasons for the decision to the recipient and dependent spouse.
- An overpayment deduction must not exceed up to 10% of monthly budgetary requirements and 100% of any arrears payable to the recipient, unless the recipient agrees to a greater amount.
- Failing to honour an assignment or agreement to reimburse will result in an overpayment.

Legislative Authority

[Sections 14,15,16,17 and 18 of the ODSP Act](#)
[Section 51\(1\) of the ODSP Regulation](#)

Summary of Directive

This directive provides an overview of:

- how overpayments are established
- how and when overpayments are recovered on active and inactive cases
- the write-off process

Intent of Policy

To ensure that overpayments are recovered effectively and fairly.

Application of Policy

Standards

ODSP staff must explain ODSP eligibility criteria and review the Rights and Responsibilities form advising a recipient to report any changes that may affect his/her

eligibility or level of income support. Examples of changes that must be reported include, but are not limited to, changes in accommodation costs, income, assets, earnings, and members leaving or joining the benefit unit.

ODSP staff must make every effort to action information in a timely manner to ensure the recipient receives the correct amount of income support.

Overpayments must be calculated accurately, fully documented and recorded on file. Appropriate documentation of the overpayment calculation, the reason(s) for the overpayment and the affected period must be on file. Notice in writing must be given to the recipient of the amount of any overpayment, the reason and the period it was incurred and their right to appeal. If a recipient had a dependent spouse when an overpayment was incurred, the Director must also give notice in writing to the spouse respecting the overpayment.

Establishing an Overpayment

An overpayment is established when a recipient receives an amount under the ODSP Act, that he/she is not eligible to receive. Overpayments may be caused by delays in reporting changes in circumstances (e.g. receipt of other income), non-disclosure of information, misrepresentation of facts and administrative error.

A payment for a benefit provided to a recipient or dependent spouse may be recovered except where the amount of the benefit cannot be quantified. For example, items that are not currently assigned a dollar value, such as drug benefits, vision care and dental benefits are excluded from the calculation of an overpayment.

In cases where a benefit with a dollar value (i.e. CSUMB, home repairs) has been approved and paid in a month that a recipient was ineligible for income support due to high earnings and where the recipient would otherwise be eligible the following month, the amount of the benefit paid is not included in the overpayment calculation.

In a situation where a recipient does not use the income support amount provided for shelter toward their accommodation costs, an overpayment is not established. Rather, pay direct or trusteeship may be options to investigate to ensure the recipient retains their lodgings. (See [Directives 6.2 Shelter Calculation](#), [10.1 Pay Direct](#) and [10.2 Trustees](#)).

Recovery of Overpayments

All overpayments are subject to recovery. Only under exceptional circumstances will overpayments be considered uncollectable.

Administrative Errors

Overpayments may, at times, result from administrative errors such as miscalculations or failure to act on information. These overpayments are recoverable.

When a recipient provides information that would reduce the amount of income support, every effort must be made to promptly action the information in order to prevent an overpayment. If the information is not processed and the recipient receives an amount he/she knows to be incorrect, the onus is on the recipient to notify ODSP staff of this error. The overpayment is to be properly documented on the file and action taken to avoid recurrence of the problem.

In extenuating circumstances, an overpayment resulting from an administrative error is uncollectable. For example, if change(s) remain unprocessed and the recipient has done everything in his/her control to bring the discrepancy to light, i.e. there is documented evidence that the recipient had advised of the error, there may then be grounds to consider the overpayment as uncollectable. Before determining that an overpayment will not be collected, the circumstances of individual cases must be reviewed by ODSP staff to make an appropriate decision.

If the administrative error is considered uncollectible it is to be recommended for write-off in accordance with the procedures outlined in this directive.

Recovery of Overpayments on Active Cases

Overpayments on active cases are recovered by reducing monthly income support. The rate of recovery will generally be 5% of budgetary requirements but may be reduced if it will cause hardship. The rate of recovery may be increased up to 10% only where there is evidence of capacity to pay the higher amount. Recipients may voluntarily have their income support reduced by more than 10% of their budgetary requirements if they wish to pay off the overpayment faster. However, the recipient must agree to the recovery of the higher amount. Recipients may also voluntarily reduce their overpayment through the use of their own assets.

Exceptions

If a Support Deduction Notice (SDN) issued by the Family Responsibility Office (FRO) is received for a recipient and an overpayment is under recovery, the SDN will have priority over overpayment recovery (to the maximum of 10%) even if this means that the overpayment collection must go into abeyance.

Unless otherwise requested by the recipient, in cases where the Personal Needs Allowance (PNA) is the recipient's only income, no overpayment recovery will occur until the recipient's circumstances change.

In cases where the Special Boarder Allowance (SBA) is a component of the income support and an overpayment exists, overpayment recovery may continue as long as the recipient's monthly income from all sources does not fall below the SBA amount.

The Social Benefits Tribunal (SBT) has jurisdiction with respect to a decision of the Director affecting eligibility for, or the amount of income support. The SBT has the same discretion as the Director with respect to the recovery of overpayments and as such, may order that a recipient's income support should not be reduced to recover an overpayment. However, the SBT does not have the authority to order an overpayment not be recovered by other means. Once the person is no longer receiving social assistance attempts to recover the overpayment should be made.

Overpayments Incurred under Ontario Works

If a former Ontario Works participant has appealed an overpayment which was incurred while he/she was in receipt of Ontario Works assistance and he/she is subsequently granted ODSP, the Ontario Works overpayment should not be ported to ODSP and activated for recovery until the appeal is resolved. Ontario Works staff are responsible for this appeal.

If an overpayment incurred by a former Ontario Works participant is ported to ODSP and activated for recovery from ODSP income support and the overpayment is subsequently appealed, ODSP staff are responsible for this appeal. It may be necessary to work with their counterparts at the Ontario Works office where the overpayment was originally established.

It is important that overpayments are properly validated when a recipient moves from Ontario Works to ODSP. If the information that is necessary to validate an overpayment is not on the ODSP file, an effort should be made by ODSP staff to locate that information from the recipient's Ontario Works local office. If the information necessary to validate all or part of an overpayment is not available, the portion of the overpayment that cannot be validated is uncollectible. An appeal on an overpayment or portion of an overpayment that cannot be validated should not be defended.

\$2.50 Minimum Cheque

In cases where an overpayment is under recovery and a minimum cheque of \$2.50 is being issued, the full payment will be applied to reduce the overpayment. These recipients continue to be eligible for all mandatory benefits.

No recovery or notification takes place if the overpayment amount established is \$2.50 or less. Recovery commences once the overpayment amount is \$2.51 or over and continues until the balance is zero. Notice must be given to the recipient of the amount of the overpayment and the period for which it was incurred. In situations where ongoing

recovery has reduced the overpayment to \$2.50 or less, recovery continues until the overpayment is reduced to zero.

Recovery of Arrears

Effective April 1, 1999 the Director may recover up to 100% of income support arrears owing to a recipient in order to recover an overpayment. „Income support“ means assistance for basic needs, shelter, costs related to a person’s disability and other prescribed needs, and includes benefits such as the Work-Related Benefit.

ODSP staff should review the amount of the arrears that will be applied to the existing overpayment with the recipient. Discretion is to be used in the application of this policy so that it does not create undue hardship. In situations where arrears are incurred as a result of circumstances outside the control of the recipient, full arrears will be paid. For example, arrears should be paid if a recipient’s rent is increased retroactively following a Rent Review Board hearing.

Recovery of Overpayments on Inactive Cases

When a case is terminated with an outstanding overpayment, ODSP staff will review the master file to ensure that the amount of the overpayment is correct and make a recommendation regarding the status of the overpayment. The overpayment will either be transferred to the Overpayment Recovery Unit (ORU) for recovery or recommended for write-off.

ODSP staff will respond to recipient and/or advocate inquiries regarding the overpayment according to established protocols.

Settlements Negotiated by MCSS

On occasion, a recipient may advise that he/she is able to repay only a portion of an outstanding overpayment.

Where it appears appropriate, ODSP staff, in consultation with the Regional Director may negotiate a reasonable settlement. Letters outlining the proposed settlement and acceptance of the terms are required for the file.

The balance of the overpayment is recommended for write-off in accordance with the procedures outlined in this directive.

Transfer of Outstanding Overpayments on Inactive Cases to the Overpayment Recovery Unit

The centralized Overpayment Recovery Unit (ORU) within the Social Assistance and Municipal Operations Branch provides debt collection services for MCSS. The ORU may collect debt through negotiated voluntary repayment plans or by utilizing the Canada Revenue Agency's Refund Set-off Program (CRA-RSO) to collect outstanding overpayments on inactive cases.

The RSO Program allows tax refunds of individuals to be "set-off" to pay previously unrecoverable debts owed to the Crown.

Inactive ODSP cases with collectible overpayments that are eligible for referral to the CRA RSO that do not respond to the Ministry's preliminary recovery efforts will be transferred to the ORU. The ORU will respond to specific queries concerning the collection and repayment of the overpayment. Former recipients may opt to contact the local ODSP office for clarification and information regarding the outstanding overpayment. Designated Ministry contacts within the Regions will manage calls of this nature. Protocols are in place and include Regional and ORU contacts respectively.

Regional staff will not be directly involved in negotiating or accepting repayments of debts on accounts which have been transferred to the ORU. Regional staff should redirect former recipients to negotiate with or repay the Overpayment Recovery Unit at 1-888-346-5184.

Overpayments of ODSP recipients who are deceased should be referred to the ORU for consideration under the CRA RSO program immediately upon notification of death. These overpayments will remain with CRA RSO for a period of two full tax years from the date of death.

CRA will return the overpayment accounts or the account will be recalled by the ORU if:

- The former recipient is deceased and two years has passed;
- The former recipient is undergoing bankruptcy;
- The former recipient has a net income below the low income threshold established by CRA;
- Collecting the overpayment would cause undue hardship;
- The former recipient has returned to social assistance.

If an overpayment account is returned by CRA or recalled by the ORU and appears to be uncollectible based on the information on file, ODSP staff need to determine whether the overpayment should be considered temporarily uncollectible or recommended for write-off.

Overpayments not Eligible for Referral to Canada Revenue Agency's Refund Set-off Program

Overpayments that are not eligible for referral to the CRA RSO include:

Overpayments that cannot be validated.

Terminated FBA cases with an overpayment where the person has never been in receipt of Ontario Works or ODSP and did not have the right to appeal the overpayment.

This includes cases where the FBA overpayment was assessed at the same time as the allowance was cancelled or after the allowance was cancelled; and the person did not appeal the cancellation;

the person appealed the cancellation but was not successful on the cancellation issue;

the person appealed the overpayment but the Social Assistance Review Board ruled that it did not have jurisdiction.

Overpayments incurred under the **General Welfare Assistance Act** as they are not Crown debts.

Ontario Works overpayments that are not currently considered Crown debts¹.

Overpayment Recovery on Re-granted Cases Previously Terminated with Overpayments

Where a case with an outstanding overpayment is re-granted, generally 5% of the monthly budgetary requirements are applied to the outstanding overpayment. This rate can be reduced if it will cause hardship, or increased up to 10% where there is evidence of the capacity to repay the overpayment at the higher rate. Recipients may voluntarily have their income support reduced by more than 10% of their budgetary requirements if they wish to pay off the overpayment faster. However, the recipient must agree to the recovery of the higher amount. Recipients may also voluntarily reduce their overpayment through the use of their own assets.

If a case with an outstanding overpayment is being granted retroactively, recovery of the overpayment must be included.

¹ Ontario Works overpayments managed by Toronto Employment and Social Services have been deemed as Crown debt by the Director of Ontario Works.

The grant letter must advise the recipient that the outstanding overpayment is being recovered.

Overpayment Recovery in Cases of Alleged Fraud

Eligibility investigations of active or inactive cases, which result in an overpayment, may or may not be pursued for fraud. Regardless of the case disposition, all overpayments are to be recovered and the recipient notified.

Where an overpayment has been established and the case will not be referred to police, the recipient should be advised of the overpayment amount and reason. Recovery will commence on active files by making a deduction from the income support. On inactive files, requests for voluntary repayment should be made and cases in default for more than 60 days should be referred to the ORU.

Where a case has been referred to police, depending on local arrangements with the police/Crown Attorney, the collection of the overpayment can proceed through reduction of income support or voluntary repayment while the case is with police for investigation. However, terminated cases in default should not be referred to the ORU until the outcome of the court proceedings is known. Once the outcome of the court proceeding is known, appropriate collection efforts should resume.

Overpayment Recovery Where Criminal Charges Have Proceeded and There is a Court Decision on the Matter

To determine whether the overpayment is collectible, it will be necessary to carefully review the decision of the court. For example, if a recipient is acquitted without a finding by the court on the merits of the case, the overpayment should be considered to be collectible and dealt with in accordance with the procedures outlined in this directive.

Cases where the recipient is acquitted, and the finding of the court is that fraud has not been proven, will require careful review. An overpayment may still have occurred notwithstanding an acquittal on a fraud charge. There is a different standard of proof which applies to criminal and civil proceedings. In a criminal proceeding, the offence must be proven "beyond a reasonable doubt" and there must be evidence of a deliberate intent to deceive. In a civil proceeding, it is sufficient to establish "on a balance of probabilities" that money was improperly obtained.

Legal Services Branch must be consulted in those cases where it is not clear, after careful review of the court decision, whether an overpayment should be considered collectible.

Any negotiations that occurred between the accused, either personally or through defence counsel, and the Crown Attorney must be taken into account. These negotiations may have occurred before a plea was entered based on a negotiated

sentence, which may or may not include restitution. If the Crown Attorney agreed not to pursue recovery in exchange for a plea of guilty, or at the time of sentencing indicated no recovery would be pursued, it would not be appropriate to proceed with recovery. In this case, the balance of the overpayment should be recommended for write-off.

Restitution Orders

In cases where there has been a decision to proceed with fraud charges and there has been a conviction, the Court may order restitution for all or part of the overpayment in question. These Orders will continue to be filed and maintained by the Ministry's Legal Services Branch.

It is important that a request for restitution be made to the court and the Crown Attorney, at the appropriate time.

The Regional Director or designate should take appropriate steps to ensure that restitution orders are collected in accordance with the instructions referred to in the restitution order.

Under current policy, interest is not charged on a court-ordered restitution order related to a social assistance case.

Where restitution is ordered, and is part of a Probation Order, it is the responsibility of the ODSP staff to monitor the payments against these orders and to contact the probation officer in cases of default.

In order to enforce the terms of the Restitution Order it may be necessary to utilize legal remedies, such as filing a writ of seizure and sale with the Sheriff's office in the district where the debtor resides. Prior consultation with Legal Services Branch staff is mandatory in these circumstances.

An overpayment that is subject to a restitution order can be referred to the ORU for submission to the CRA RSO program if it specifies that it is payable to a particular Ministry (as it is considered a Crown debt) and payments are not being made to the order. If the CRA RSO Program is unable to produce returns for at least two full annual taxation cycles, the file should be returned to the local office (via the ORU) where other collection efforts may resume. Any overpayment that is subject to a restitution order should be tracked separately from other overpayments that may be on file for the recipient. This is to ensure that there is accurate tracking of what has been paid on the restitution order through the CRA RSO program.

There may be situations where a non-recipient is charged and convicted of fraudulently receiving social assistance (e.g. cashing cheques of a recipient who is deceased) and has been ordered by the court to repay this amount through a restitution order. Given that the convicted person has never been a recipient of social assistance an

overpayment cannot be established. However it is important that monies owing are recovered. ODSP and Ontario Works eligibility review staff should establish an internal procedure for tracking payments and monitoring files of this nature. A ledger recording receipt of payments should also be kept.

With regard to the processing of the payments received under the restitution order, the same procedure that is followed for restitution payments from recipients should be applied in these circumstances.

In cases where no restitution is ordered, the overpayment will generally be considered to be collectible.

Recovery of Overpayments when a Recipient or Former Recipient Files a Consumer Proposal

Some recipients and former recipients, who have outstanding overpayments, may file a Consumer Proposal. A Consumer Proposal to creditors is a legally binding procedure that is administered for the courts by a licensed trustee in bankruptcy.

A Consumer Proposal is an offer to modify payments and/or repay only a portion of the debt. For example, the debtor may propose to pay a lower amount each month, but over a longer period of time. Or the debtor may propose that the creditors accept a percentage of what is owed. If the debtor defaults in his/her payments, the Consumer Proposal will be annulled.

On receipt of a notice of Proposal, overpayment recovery should be stopped. ODSP staff will forward the Proposal to the ministry's Legal Services Branch to process. The debtor will make repayments to the Trustee, who in turn will repay the ministry according to the terms of the Consumer Proposal.

The terms of the Proposal may reduce the amount of the overpayment to be repaid. Once this revised amount is paid in full, the balance of the overpayment is to be recommended for write-off in accordance with the procedures outlined in this directive.

Recovery of Overpayments when a Recipient or Former Recipient Files for Bankruptcy

Some recipients, both active and inactive, who have outstanding overpayments, file for bankruptcy.

Under section 14 of the ODSPA, the Ministry has the right to recover an overpayment by proceedings in court or by reducing income support. However, where someone files for bankruptcy, no action can be taken against a debtor or his/her property until the person has been discharged from the bankruptcy. In these cases, overpayment

recovery should be stopped from the time the Ministry is notified of the pending bankruptcy unless permission of the court has been obtained to continue recovery during the bankruptcy proceedings.

Where bankruptcy has been declared, ODSP staff will advise the recipient to provide a summary administration verifying that he/she has filed an assignment in bankruptcy.

Upon receipt of the summary administration and the bankruptcy form, ODSP staff will complete the appropriate documentation. Samples attached:

- Bankruptcy form Appendix 1;
- Covering letter Appendix 2;
- Proof of Claim-Declaration Under the **Bankruptcy and Insolvency Act**, Appendix 3;
- Schedule "A" Appendix 4, Appendix 5, Appendix 6 and Appendix 7;

The dividend paid, if any, after the notice of discharge is received is accepted as full settlement of the overpayment incurred by the bankrupt person up to the date that the person filed for bankruptcy. The balance of the overpayment is recommended for write-off.

Overpayments Incurred by False Pretences or Fraudulent Misrepresentation

An overpayment debt will survive a bankruptcy and remain recoverable in cases where there is a criminal or civil court decision that the overpayment was incurred by fraud. For example:

- Where there is a fraud conviction
- Where there is no fraud conviction, but where action has been taken in a civil court to recover an overpayment and there is a civil court decision that the overpayment was incurred as a result of fraudulent misrepresentation.

Letter in Appendix 8 should be sent in cases of a fraud conviction.

Questions can be directed to Legal Services Branch at 416-327-4900.

The Write-off Process

Uncollectible overpayment debts that are owed to the Crown are to be written off on an annual basis each fiscal year for accounting purposes. This provides an accurate account of the Government of Ontario's fiscal situation.

If the collection of an account receivable (including a social assistance overpayment) is no longer cost effective in relation to the amount expected to be recovered, the account is deemed to be uncollectible. Pursuant to section 5 of the **Financial Administration Act**, the Lieutenant Governor in Council may remove uncollectible debts from its accounts. Such losses are reported in the Public Accounts for that year. However, each ministry maintains records of all debts written off as the write-off process does not extinguish the person's continuing legal obligation to repay his/her debt to the Crown. If opportunities to recover amounts owed improve at some point in the future, then collection efforts may resume. It should be noted that some overpayments that qualify under the write off criteria are permanently uncollectible e.g., the balance of an overpayment that was recommended for write-off as a reasonable settlement was negotiated,

The Ministry must obtain Order-in-Council approval in order to write-off an overpayment. This process is co-ordinated by the Social Assistance and Municipal Operations Branch and covers all the overpayments recommended for write-off within the designated period.

ODSP staff must ensure that appropriate action has been taken prior to recommending a debt for write-off, including that voluntary recovery efforts have been made.

Overpayments Recommended for Write-off

The following overpayments will be recommended for write-off:

1. An overpayment on an **active** case that is \$2.50 or less;
2. An overpayment where the debtor has been deported;
3. Overpayments that are not eligible for referral to the Canada Revenue Agency Refund Set Off Program (CRA RSO) (See Page 7).
4. An overpayment where the client is deceased and left no estate and the ORU has submitted the debt to CRA RSO Program but it has not resulted in recovery for two full annual taxation cycles:
5. An overpayment where a client was convicted of fraud and it is clear from the court decision that the court found that a lesser amount was the full overpayment. In this case, the difference between the amount originally calculated and the amount confirmed by the court would be recommended for write-off. These cases should be forwarded to Legal Services Branch for their interpretation of the court decision;
6. An overpayment in bankruptcy cases where the notice of discharge reduces the overpayment amount to be repaid. In this case, the difference between the notice

of discharge and the actual overpayment would be recommended for write-off. As noted previously, the full overpayment remains collectible if the overpayment was incurred as a result of fraud or misrepresentation and there is a court decision to that effect.

7. An overpayment in cases where, in exchange for a plea of guilty, the Crown Attorney agreed not to pursue recovery of an overpayment. In this case, the balance of the overpayment should be recommended for write-off.
8. An overpayment in cases where a settlement has been negotiated and approved by the Regional Director.
9. An overpayment resulting from an administrative error where there are grounds to consider the overpayment uncollectible.
10. An overpayment in inactive cases where the Social Benefits Tribunal orders that the overpayment not be collected and a reconsideration hearing was not granted.
11. Overpayments in **inactive** cases, for which the CRA RSO Program has not produced results and overpayments which are not eligible for referral to CRA RSO, should be recommended for write-off based on age (date of termination of the case or last voluntary payment), the amount outstanding and collection efforts as outlined in the table below.

Table for Treatment of Overpayments in Inactive Cases

Outstanding Amount	Overpayments For Inactive Cases For Which The CRA RSO Program Has Not / Was Unable To Collect			
	up to 120 days of age*	120 days of age*	≥ 3 years of age*	≥ 5 years of age*
< \$20	Collect	Write-Off ¹		
≥ \$20 - < \$500	Collect*		Write-off ²	
\$500 - or more	Collect* *If no voluntary payments are made, the case is referred to the ORU at 60 days for collection. If there is no response to the collection efforts, the ORU will refer the overpayment to the CRA RSO Program.			Write-off ³

Note: < defined as “less than”
 > defined as “greater than”
 ≥ defined as “greater than or equal to”
 age* = date of termination of the case or last voluntary payment

Summary of when a Debt may be recommended for Write-off

1. Debts less than \$20 may be recommended for write-off once they are 120 days of age.
2. Debts that are \$20 or more and less than \$500 may be recommended for write-off once they are 3 or more years of age where:
 - The debt has been referred to the ORU and the ORU has submitted the debt to CRA RSO Program but it has not resulted in recovery for at least two full annual taxation cycles; or
 - The debt is not eligible for referral to CRA RSO.
3. Debts that are \$500 or more may be recommended for write-off once they are 5 or more years of age where:
 - The debt has been referred to the ORU and the ORU has submitted the debt to CRA RSO Program but it has not resulted in recovery for at least two full annual taxation cycles; or
 - The debt is not eligible for referral to CRA RSO.

Note: Debts that are over \$25,000, where collection efforts have not been successful, will be sent back to CRA after a 5 year period.

Restitution Orders

Where a social assistance recipient has been convicted of fraud, the court may order restitution for part or all of the overpayments in question. Overpayments subject to restitution orders are not to be considered for write-off except in certain fact situations that include where the person is deceased and has left no estate or where a settlement is reached that is more than the amount expected to be recovered by usual means. Legal Services Branch should be consulted before accepting a settlement offer for an overpayment that is subject to a restitution order.

Reactivating Overpayments Recommended for Write-off

Where a recipient returns to social assistance and an overpayment had been previously written off, the overpayment should be collected where appropriate depending on the circumstances. For example, if the whereabouts of a person were unknown and they returned to social assistance, the overpayment would be reactivated. However, in bankruptcy situations or where the balance of an overpayment was written off after a settlement was negotiated, the overpayment should not be collected.

ODSP staff should refer to the procedures outlined in the Overpayment Write-Off Interim Business Procedure – ODSP & Ontario Works which outlines the procedure for reactivating a previously written-off overpayment.

Hyperlinks associated with this Policy Directive

Related Directives:

[11.2 Overpayment Due to Excess Assets](#)

[11.3 Spouse's Overpayment](#)

[11.4 Overpayment Portability](#)

Appendix 1

BANKRUPTCY	
INFORMATION REQUIRED IN ORDER TO COMPLETE THE BANKRUPTCY CLAIM FORM	
FULL NAME OF DEBTOR:	
DATE OF BANKRUPTCY:	
NAME AND ADDRESS OF BANKRUPTCY TRUSTEE:	
TOTAL AMOUNT OF OVERPAYMENT:	
TOTAL AMOUNT OF REPAYMENT:	
TOTAL AMOUNT OWING:	
TOTAL AMOUNT OF PAYMENT RECEIVED FROM DEBTOR <u>WITHIN THREE (3) MONTHS</u> <u>PRECEEDING DATE OF BANKRUPTCY:</u>	
DATE DEBTOR WAS GRANTED FBA OR ODSP INCOME SUPPORT:	
REASON FOR INCOME SUPPORT:	
DATE IF FBA OR ODSP INCOME SUPPORT WAS CANCELLED:	
REASONS FOR CANCELLATION:	
DATE FILE WAS REVIEWED AND OVERPAYMENT DISCOVERED:	
RESONS FOR OVERPAYMENT:	
PREPARED BY: _____ DATE: _____	

Appendix 2

TO WHOM IT MAY CONCERN:

DEAR SIR OR MADAM:

RE: MEMBER I. D.

IN REPLY TO YOUR NOTICE DATED _____

I RETURN HEREWITH A COMPLETED PROOF OF CLAIM.

YOURS TRULY,

Appendix 3

Bankruptcy and Insolvency Act

PROOF OF CLAIM

(Subsection 50.1(1), paragraphs 51(1)(e) and 66.14(b) and subsections 81.2(1), 102(2), 124(2) and 128(1))

IN THE MATTER OF THE BANKRUPTCY OF/PROPOSAL OF/RECEIVERSHIP OF THE PROPERTY OF _____ of

(Name of Debtor)

(City and Province)

and the claim of

_____, creditor.

I, _____, of

(Name of Creditor)

(City and Province)

DO HEREBY CERTIFY:

1. That I am a creditor of the above-named debtor (*or*) That I am _____ (*state position or title*) of _____ (*name of creditor*).
2. That I have knowledge of all the circumstances connected with the claim referred to in this form.
3. That the debtor was, at the date of bankruptcy / the proposal / the receivership, namely the _____ day of _____ 20____, and still is indebted to the above-named creditor in the sum of \$ _____, as shown by the statement of account (*or* affidavit *or* solemn declaration) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled.
4. (*Check and complete appropriate category.*)

- A. UNSECURED CLAIM OF \$ _____

That in respect to this debt, I do not hold any assets of the debtor as security and

(*Check appropriate description.*)

- Regarding the amount of \$ _____, I do not claim a right to a priority.
- Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the *Bankruptcy and Insolvency Act*.

(*Set out on an attached sheet details to support priority claim.*)

- B. CLAIM OF LANDLORD FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(*Give full particulars of the claim, including the calculations upon which the claim is based*)

- C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:

(*Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.*)

- D. CLAIM BY FARMER, FISHERMAN, OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the *Bankruptcy and Insolvency Act* for the unpaid amount of \$ _____

(*Attach a copy of sales agreement and delivery receipts.*)

- () E. CLAIM AGAINST DIRECTOR \$ _____

(*To be completed when a proposal provides for the compromise of claims against directors.*)

That I hereby make a claim under subsection 50(13) of the *Bankruptcy and Insolvency Act*, particulars of which are as follows: (*Give full particulars of the claim, including the calculations upon which the claim is based.*)

5. That, to the best of my knowledge, I am (*or the above-named creditor is*) (*or I am not or is not*) related to the debtor within the meaning of section 4 of the *Bankruptcy and Insolvency Act*.
6. That the following are the payments that I have received from, and the credits that I have allowed to, the debtor within the three months (*or, if the creditor and the debtor are related within the meaning of section 4 of the Act, within the 12 months*) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (*Provide details of payments and credits.*)

(*Applicable only in the case of the bankruptcy of an individual.*)

- I request to be advised of any material change in the financial situation of the bankrupt, pursuant to subparagraph 102(3)(b)(i) of the Act.
- I request to be advised of any amendment made regarding the amount that the bankrupt is required to pay, pursuant to subsection 68(4) of the Act.
- I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____ this _____ day of _____, 20____.

Witness _____ Creditor

Phone Number: _____

Fax Number: _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the *Bankruptcy and Insolvency Act*, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the *Bankruptcy and Insolvency Act* provides severe penalties for making any false claim, proof, declaration or statement of account.

Appendix 4

SCHEDULE "A"

THE CLAIM OF HER MAJESTY THE QUEEN, IN THE RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTRY OF COMMUNITY AND SOCIAL SERVICES (HEREINAFTER REFERRED TO AS "THE CREDITOR") IS THE RESULT OF AN OVERPAYMENT OF A FAMILY BENEFITS ALLOWANCE OR ODSP INCOME SUPPORT BY THE CREDITOR TO _____ (HEREINAFTER REFERRED TO AS "THE DEBTOR")

THE DEBTOR WAS GRANTED INCOME SUPPORT EFFECTIVE _____ AS A _____. THE DEBTOR'S INCOME SUPPORT IS ONGOING.

A REVIEW OF THE DEBTOR'S FILE WAS MADE AND AS OF _____ THERE WAS AN OUTSTANDING OVERPAYMENT IN THE AMOUNT OF \$_____ WHICH AMOUNT HAS ACCRUED BECAUSE OF _____.

THE DEBTOR HAS MADE PAYMENTS TO THE CREDITOR ON ACCOUNT OF THE OVERPAYMENT IN THE AMOUNT OF \$_____. ACCORDINGLY, THE BALANCE OF THE OVERPAYMENT OUTSTANDING AT THE DATE OF THE ASSIGNMENT INTO BANKRUPTCY AND AT PRESENT AND OWED BY THE DEBTOR TO THE CREDITOR IS \$_____.

USE FOR ACTIVE CASES WHERE PAYMENTS HAVE BEEN MADE

Appendix 5

SCHEDULE "A"

THE CLAIM OF HER MAJESTY THE QUEEN, IN THE RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTRY OF COMMUNITY AND SOCIAL SERVICES (HEREINAFTER REFERRED TO AS "THE CREDITOR") IS THE RESULT OF AN OVERPAYMENT OF A FAMILY BENEFITS ALLOWANCE OR ODSP INCOME SUPPORT BY THE CREDITOR TO _____ (HEREINAFTER REFERRED TO AS "THE DEBTOR")

THE DEBTOR WAS GRANTED INCOME SUPPORT EFFECTIVE _____ AS A _____. THE DEBTOR'S INCOME SUPPORT IS ONGOING.

A REVIEW OF THE DEBTOR'S FILE WAS MADE AND AS OF _____ THERE WAS AN OUTSTANDING OVERPAYMENT IN THE AMOUNT OF \$ _____ WHICH AMOUNT HAS ACCRUED BECAUSE OF _____.

THE DEBTOR HAS NOT MADE PAYMENTS TO THE CREDITOR ON ACCOUNT OF THE OVERPAYMENT. ACCORDINGLY, THE BALANCE OF THE OVERPAYMENT OUTSTANDING AT THE DATE OF THE ASSIGNMENT INTO BANKRUPTCY AND AT PRESENT AND OWED BY THE DEBTOR TO THE CREDITOR IS \$ _____.

USE FOR ACTIVE CASES WHERE PAYMENTS HAVE NOT BEEN MADE

Appendix 6

SCHEDULE "A"

THE CLAIM OF HER MAJESTY THE QUEEN, IN THE RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTRY OF COMMUNITY AND SOCIAL SERVICES (HEREINAFTER REFERRED TO AS "THE CREDITOR") IS THE RESULT OF AN OVERPAYMENT OF A FAMILY BENEFITS ALLOWANCE OR ODSP INCOME SUPPORT BY THE CREDITOR TO _____ (HEREINAFTER REFERRED TO AS "THE DEBTOR")

THE DEBTOR WAS GRANTED INCOME SUPPORT EFFECTIVE _____ AS A _____. THE DEBTOR'S FAMILY BENEFITS OR INCOME SUPPORT WERE CANCELLED EFFECTIVE _____.

A REVIEW OF THE DEBTOR'S FILE WAS MADE AND AS OF _____ THERE WAS AN OUTSTANDING OVERPAYMENT IN THE AMOUNT OF \$ _____ WHICH AMOUNT HAS ACCRUED BECAUSE OF _____.

THE DEBTOR HAS MADE PAYMENTS TO THE CREDITOR ON ACCOUNT OF THE OVERPAYMENT IN THE AMOUNT OF \$ _____. ACCORDINGLY, THE BALANCE OF THE OVERPAYMENT OUTSTANDING AT THE DATE OF THE ASSIGNMENT INTO BANKRUPTCY AND AT PRESENT AND OWED BY THE DEBTOR TO THE CREDITOR IS \$ _____.

USE FOR TERMINATED CASES WHERE PAYMENTS HAVE BEEN MADE

Appendix 7

SCHEDULE "A"

THE CLAIM OF HER MAJESTY THE QUEEN, IN THE RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTRY OF COMMUNITY AND SOCIAL SERVICES (HEREINAFTER REFERRED TO AS "THE CREDITOR") IS THE RESULT OF AN OVERPAYMENT OF A FAMILY BENEFITS ALLOWANCE OR ODSP INCOME SUPPORT BY THE CREDITOR TO _____ (HEREINAFTER REFERRED TO AS "THE DEBTOR")

THE DEBTOR WAS GRANTED INCOME SUPPORT EFFECTIVE _____ AS A _____. THE DEBTOR'S FAMILY BENEFITS OR INCOME SUPPORT WERE CANCELLED EFFECTIVE _____.

A REVIEW OF THE DEBTOR'S FILE WAS MADE AND AS OF _____ THERE WAS AN OUTSTANDING OVERPAYMENT IN THE AMOUNT OF \$ _____ WHICH AMOUNT HAS ACCRUED BECAUSE OF _____.

THE DEBTOR HAS NOT MADE PAYMENTS TO THE CREDITOR ON ACCOUNT OF THE OVERPAYMENT. ACCORDINGLY, THE BALANCE OF THE OVERPAYMENT OUTSTANDING AT THE DATE OF THE ASSIGNMENT INTO BANKRUPTCY AND AT PRESENT AND OWED BY THE DEBTOR TO THE CREDITOR IS \$ _____.

USE FOR TERMINATED CASES WHERE PAYMENTS HAVE NOT BEEN MADE

Appendix 8

TO TRUSTEE IN BANKRUPTCY:

DEAR SIR OR MADAM:

RE: MEMBER I. D. _____

WE ARE IN RECEIPT OF YOUR LETTER DATED _____ WITH RESPECT TO THE NOTICE OF DISCHARGE OF BANKRUPTCY OF _____ (CREDITOR). WE WISH TO ADVISE YOU THAT WHILE THE MINISTRY OF COMMUNITY AND SOCIAL SERVICES DOES NOT OPPOSE THE BANKRUPT'S APPLICATION FOR DISCHARGE, WE TAKE THE POSITION THAT OUR CLAIM FALLS UNDER THE PROVISIONS OF SUBSECTION 178(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT* AS AN EXEMPTED CLAIM.

YOURS TRULY,